

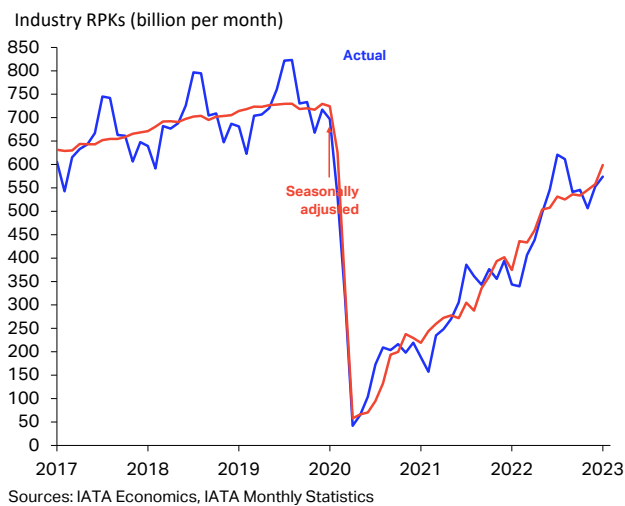
Global passenger recovery accelerates in January

- The annual growth in industry-wide revenue passenger kilometers (RPKs) rose to 67.0% in January, recovering global passenger demand to 84.2% of pre-pandemic levels. Domestic RPKs in the US climbed 0.8% above their 2019 levels.
- Capacity, measured in available seat kilometers (ASKs), also increased by 35.5% year-over-year, placing passenger load factors at 77.7% for the month. Carriers in North America expanded ASKs to exceed their January 2019 capacity.
- Helped by the swift reopening of China from Covid-19 restrictions, the annual growth of global domestic RPKs accelerated to 32.7% in January, reaching 97.4% of pre-pandemic levels. International passenger traffic also continued its steady growth to reach 77.0% of January 2019 levels.

Global recovery accelerates as China reopens

The start of 2023 was marked by an acceleration in passenger demand recovery. Industry-wide revenue-passenger kilometers (RPKs) grew by 67.0% year-over-year (YoY) and stood at 84.2% of January 2019 levels (**Chart 1**). In seasonally adjusted terms, the global recovery trend gained further momentum as RPKs increased 7.4% month-on-month (MoM). These positive developments were driven, in large part, by the reopening of China's domestic market.

Chart 1 – Global air passengers, revenue passenger kilometers (RPKs), billions

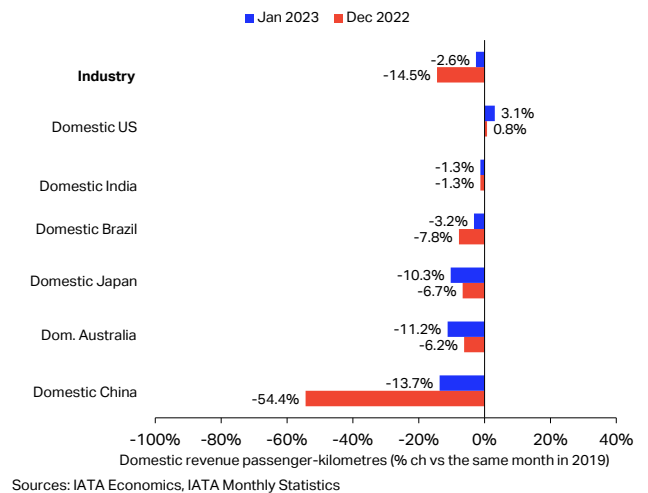


Industry-wide available seat-kilometers (ASKs) increased 35.5% YoY following the increase in passenger demand, while the global passenger load

factor (PLF) continued to trend near pre-pandemic levels at 77.7% for the total industry.

Strong recovery in China, US domestic traffic grows above pre-pandemic levels

Chart 2 – Domestic RPK growth by airline region of registration, YoY% change versus 2019



With the lifting of the zero-Covid policy in China, domestic traffic picked up pace in January. RPKs reached 86.3% of their January 2019 levels (**Chart 2**). The dynamic nature of travel restrictions in China has been reflected in volatile domestic passenger traffic trends since 2020 (**Chart 3**). Nevertheless, the latest policy development is accommodative to the strong willingness to travel demonstrated by passengers.

Air passenger market overview - January 2023

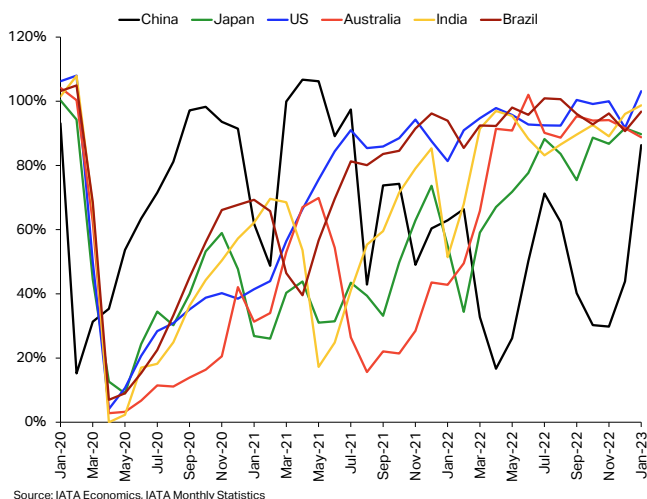
	World	January 2023 (% year-on-year)				January 2023 (% ch vs the same month in 2019)			
	share ¹	RPK	ASK	PLF (%-pt) ²	PLF (level) ³	RPK	ASK	PLF (%-pt) ²	PLF (level) ³
TOTAL MARKET	100.0%	67.0%	35.5%	14.7%	77.7%	-15.8%	-13.5%	-2.1%	77.7%
International	57.9%	104.0%	53.7%	19.4%	78.6%	-23.0%	-21.7%	-1.3%	78.6%
Domestic	42.1%	32.7%	16.3%	9.5%	76.4%	-2.6%	1.2%	-3.0%	76.4%

¹% of industry RPKs in 2022

²Change in load factor

³Load factor level

Chart 3 – Domestic markets, RPK share (%) of the same month in 2019



Given the size of China’s domestic market – accounting for 9.8% of total industry RPKs and 27.1% of total domestic RPKs in 2019 – its recent growth in traffic had a substantial impact on global RPKs. Total domestic RPKs recovered to 97.4% of their 2019 levels in January. In YoY terms, domestic RPKs and ASKs increased 67.0% and 35.5%, respectively.

Other monitored markets of the **Asia Pacific** region sustained their past year’s recovery momentum in January, and continued to approach pre-pandemic domestic traffic levels. In **India**, domestic RPKs were 1.3% below January 2019 levels and grew 92.0% YoY. **Japan** and **Australia** saw 63.3% and 107.3% YoY domestic traffic growth in January, respectively, recovering their RPKs to 89.7% and 88.8% of 2019 levels. Overall, domestic RPKs carried by airlines of the **Asia Pacific** region grew 47.8% YoY in January, and currently sit 11.0% under 2019 levels.

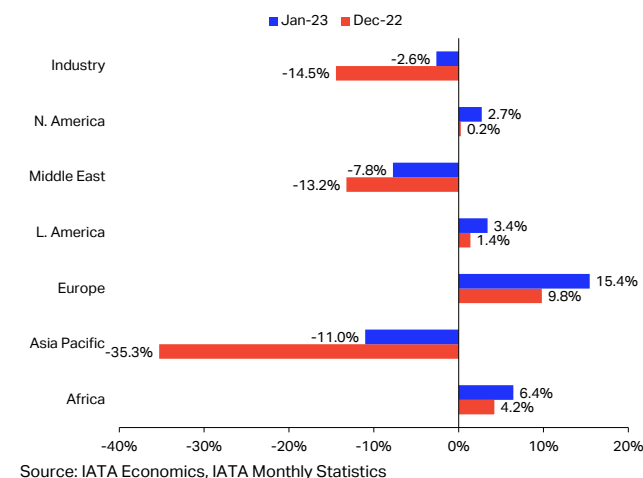
The **US** domestic market continued its robust recovery in January. Domestic RPKs climbed 26.8% YoY and stood 3.1% above levels achieved in January 2019 (**Chart 2**). In **Brazil**, traffic grew 3.0% YoY to bring January passenger levels only 3.2% below their pre-pandemic levels. These developments are consistent with performance improvements for airlines in the broader region. Domestic RPKs in January increased 3.4% and 2.7% above pre-pandemic levels for **Latin America** and **North America** regions, respectively (**Chart 4**).

In **Europe**, domestic passenger traffic continued to rise above pre-pandemic levels. Compared to January 2019 performance, domestic traffic transported by European airlines rose 15.4%, while growing 19.2% over January 2022 levels. Due to data constraints, we are unable to report on specific developments in Russia’s domestic market.

Although domestic RPKs contracted 1.3% YoY for the **Middle East** airlines in January, the region’s airlines

sustained 92.2% of their pre-pandemic domestic traffic.

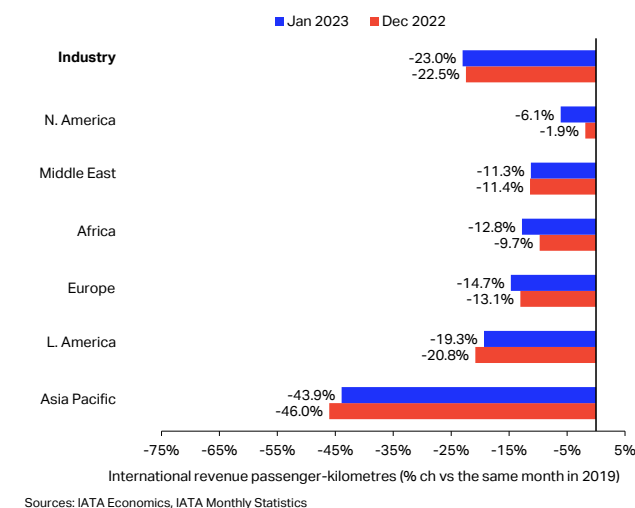
Chart 4 – Domestic RPK growth by airline region of registration, YoY% change versus 2019



International traffic continues to grow steadily

In January, total international RPKs more than doubled compared with the previous year’s traffic (104.0% YoY) and recovered to 77.0% of pre-pandemic levels. The annual growth in international ASKs in January was 53.7%, roughly half the pace of passenger demand growth over the same period. As a result, the passenger load factor for this market segment increased 19.4 ppts from the previous year to reach 78.4%, which is only 1.3 ppts less than the January 2019 load factor. (**Chart 5**).

Chart 5 – International RPK growth by airline region of registration, YoY% change versus 2019

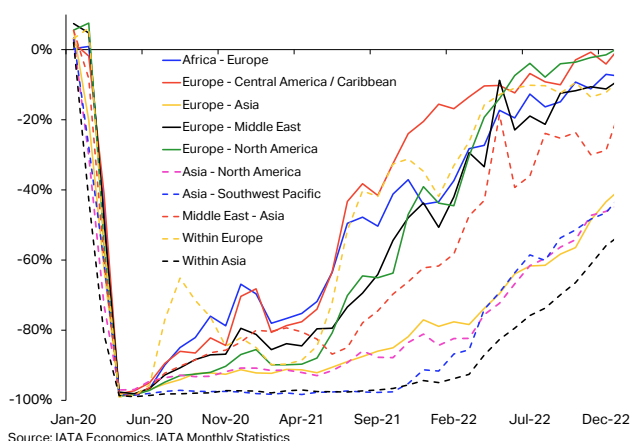


The reopening of China’s borders for international travel on 8 January 2023 had an immediate effect on ticket sales for inbound travel to the country. The relaxation of the Covid-19 restrictions led to an uptick in the number of people flying to China, including those visiting friends and relatives for the Chinese New Year. The increase in purchased tickets is also expected to be reflected in the reported RPKs for the upcoming

February travel period. Airlines registered in the broader [Asia Pacific](#) region continued to display the strongest annual growth rates in international passenger traffic. In January, the region's international RPKs increased 376.3% YoY, reaching 56.1% of January 2019 levels (**Chart 5**). This growth also reflects recovery from a very low traffic base last year when much of the region was still closed to travel.

Within the [Asia Pacific](#) region, international traffic continued to show positive developments, and reached 47.3% of pre-pandemic levels in January. Although demand between the Asia Pacific region and the rest of the world lags in terms of recovery rate, the most recent developments support a positive outlook for the region (**Chart 6**).

Chart 6 – International RPKs, YoY% change versus 2019 – Top 10 route areas in 2019, ranked by performed traffic level¹



International RPKs performed by [European airlines](#) increased 60.6% YoY. The intra-European international air passenger market continued to recover in line with previously gained momentum, and RPKs in January recovered to 86.2% of their 2019 levels. The Europe – North America and Europe – Central America route areas surpassed 2019 demand levels in January for the first time since 2020, with 0.9% and 1.2% growth, respectively.

Airlines from [North America](#) and [Latin America](#) grew their January international RPKs 82.4% and 46.8% YoY, respectively. Recent developments show encouraging trends for both regions, with their

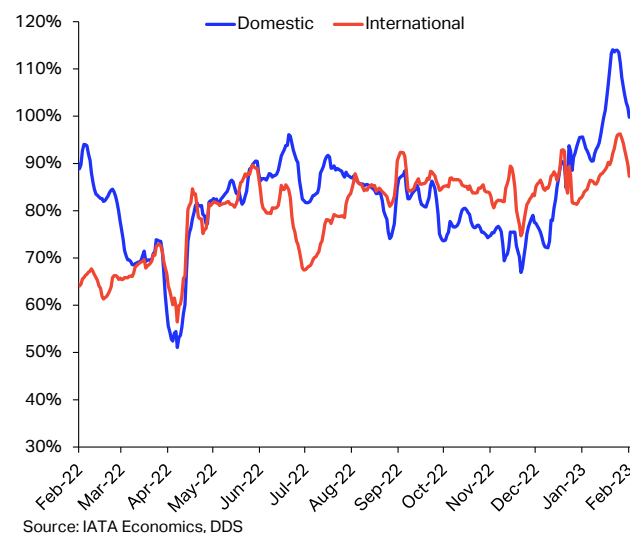
respective January traffic levels sitting 6.1% and 19.3% below pre-pandemic levels. International traffic within [South America](#) recovered to 2019 levels, achieving 3.2% annual growth in January. As air connectivity between the Americas and other regions continues to recover, two route areas have achieved pre-pandemic levels since April 2022: Middle East – North America and North America – Central America. In January, passenger flows on these route areas exceeded their pre-pandemic levels by 12.0% and 9.6%, respectively (**Chart 6**).

[Middle Eastern carriers](#) grew international RPKs by 97.7% YoY in January, reaching 88.7% of pre-pandemic demand. [African airlines](#) achieved 124.8% YoY growth in international RPKs, with traffic levels only 12.8% under those of January 2019.

Ticket sales on international and domestic markets align

Domestic ticket sales in 2022 have roughly followed a sideways trend while international ticket sales began to rise over 2022 levels (**Chart 7**). The most recent data show an uptick in ticket sales in January, mainly attributed to China's travel markets reopening. Meanwhile international ticket sales have caught up to, and maintained their recovery with, domestic ticket sales.

Chart 7 – Passenger ticket sales by purchase date, YoY% change versus 2019



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¹ Chart 6 has been updated due to a statistical revision

Air passenger market in detail - January 2023

	<i>World</i>	January 2023 (% year-on-year)				January 2023 (% ch vs the same month in 2019)			
	<i>share</i> ¹	RPK	ASK	PLF (%-pt) ²	PLF (level) ³	RPK	ASK	PLF (%-pt) ²	PLF (level) ³
TOTAL MARKET	100.0%	67.0%	35.5%	14.7%	77.7%	-15.8%	-13.5%	-2.1%	77.7%
Africa	2.1%	113.8%	76.9%	12.8%	74.2%	-10.1%	-14.3%	3.5%	74.2%
Asia Pacific	22.1%	114.9%	58.8%	20.2%	77.4%	-29.7%	-26.1%	-4.0%	77.4%
Europe	30.7%	53.2%	27.1%	13.0%	76.2%	-11.5%	-7.2%	-3.7%	76.2%
Latin America	6.4%	24.3%	20.0%	2.8%	81.3%	-8.5%	-7.4%	-1.0%	81.3%
Middle East	9.8%	91.1%	42.5%	20.1%	79.1%	-11.1%	-16.2%	4.5%	79.1%
North America	28.9%	42.2%	19.6%	12.5%	78.4%	-0.4%	1.1%	-1.2%	78.4%
International	57.9%	104.0%	53.7%	19.4%	78.6%	-23.0%	-21.7%	-1.3%	78.6%
Africa	1.8%	124.8%	82.5%	13.9%	73.7%	-12.8%	-16.3%	2.9%	73.7%
Asia Pacific	8.9%	376.3%	167.1%	36.6%	83.3%	-43.9%	-44.8%	1.3%	83.3%
Europe	26.3%	60.6%	30.1%	14.2%	75.0%	-14.7%	-8.4%	-5.5%	75.0%
Latin America	2.9%	46.8%	34.3%	7.1%	82.7%	-19.3%	-19.5%	0.2%	82.7%
Middle East	9.4%	97.7%	45.9%	20.8%	79.2%	-11.3%	-16.3%	4.5%	79.2%
North America	8.7%	82.4%	37.3%	19.7%	79.6%	-6.1%	-4.8%	-1.1%	79.6%
Domestic	42.1%	32.7%	16.3%	9.5%	76.4%	-2.6%	1.2%	-3.0%	76.4%
Dom. Australia ⁴	1.0%	107.3%	50.0%	22.0%	79.7%	-11.2%	-13.1%	1.6%	79.7%
Domestic Brazil ⁴	1.5%	3.0%	5.5%	-2.0%	81.5%	-3.2%	-0.3%	-2.5%	81.5%
Dom. China P.R. ⁴	6.4%	37.2%	19.0%	9.4%	70.6%	-13.7%	0.5%	-11.6%	70.6%
Domestic India ⁴	2.0%	92.0%	47.2%	19.9%	85.2%	-1.3%	-0.3%	-0.8%	85.2%
Domestic Japan ⁴	1.2%	63.3%	3.0%	25.3%	68.6%	-10.3%	-12.6%	1.8%	68.6%
Domestic US ⁴	19.3%	26.8%	12.0%	9.0%	77.5%	3.1%	5.3%	-1.6%	77.5%

¹% of industry RPKs in 2022

²Change in load factor vs same month in 2019

³Load factor level

⁴Note: the six domestic passenger markets for which broken-down data are available account for approximately 31.3% of global total RPKs and 74.5% of total domestic RPKs

Note: The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic.

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